



Connected Devices & CTV: How Can We Get Privacy Right Through New Creative Guidance



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It's an Increasingly Connected World | How Are You Enabling Privacy Controls?



Facts | CTV

- **40% of premium TV viewings is delivered via OTT and CTV streaming using internet delivery.**
- **CTV platforms are growing rapidly, and about 50% of television ad spending is forecasted to flow through CTV distribution by 2027.**

Why Do This Work | Consumer Trust & Engagement

The age-old questions consumers have will continue to persist, regardless of how a targeted ad reaches a viewer



“How did I get this ad?”

and

“What can I do about it?”





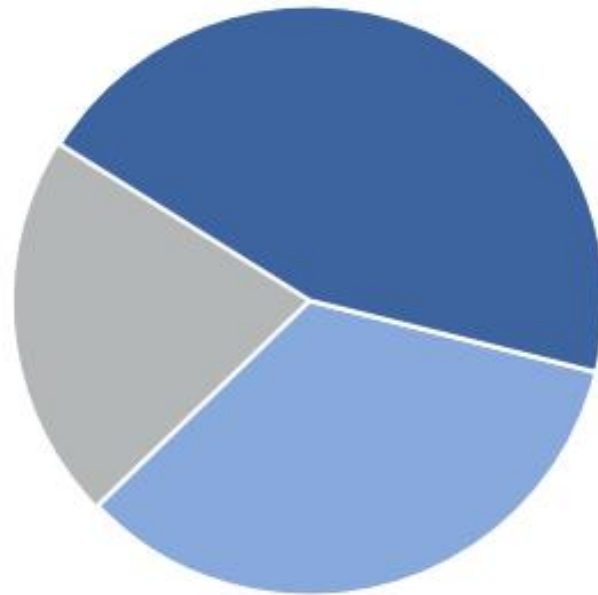
The AdChoices Icon – A Trust Mark






Use the AdChoices Icon: Consumers Know Us

Most People Recognize the AdChoices Icon

Q: Do you recognize the AdChoices icon with the blue triangle from any ads, websites, or apps?



	I recognize the AdChoices icon a great deal	45%
	I recognize the AdChoices icon somewhat	34%
	I don't recognize the AdChoices icon	21%

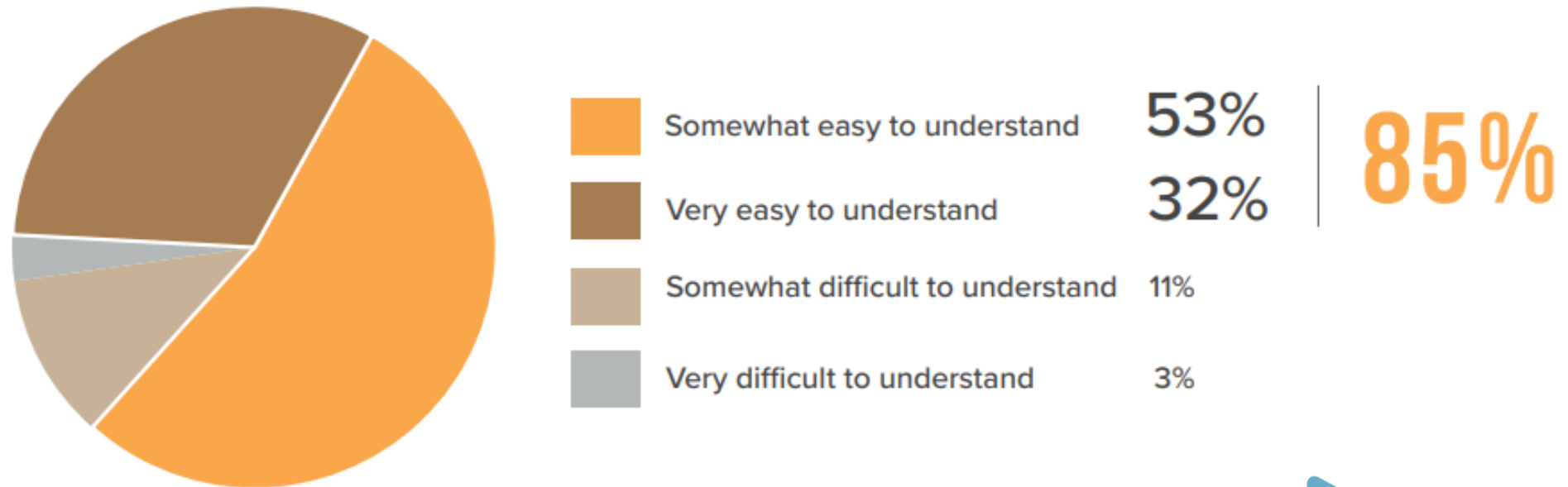
79%



Use the AdChoices Icon: Consumers Understand Us

Most People Think the AdChoices Icon Is Easy to Understand

Q: Clicking the AdChoices icon generally opens a smaller window with information about the ad and access to choices about that ad. How easy to understand is the AdChoices icon?

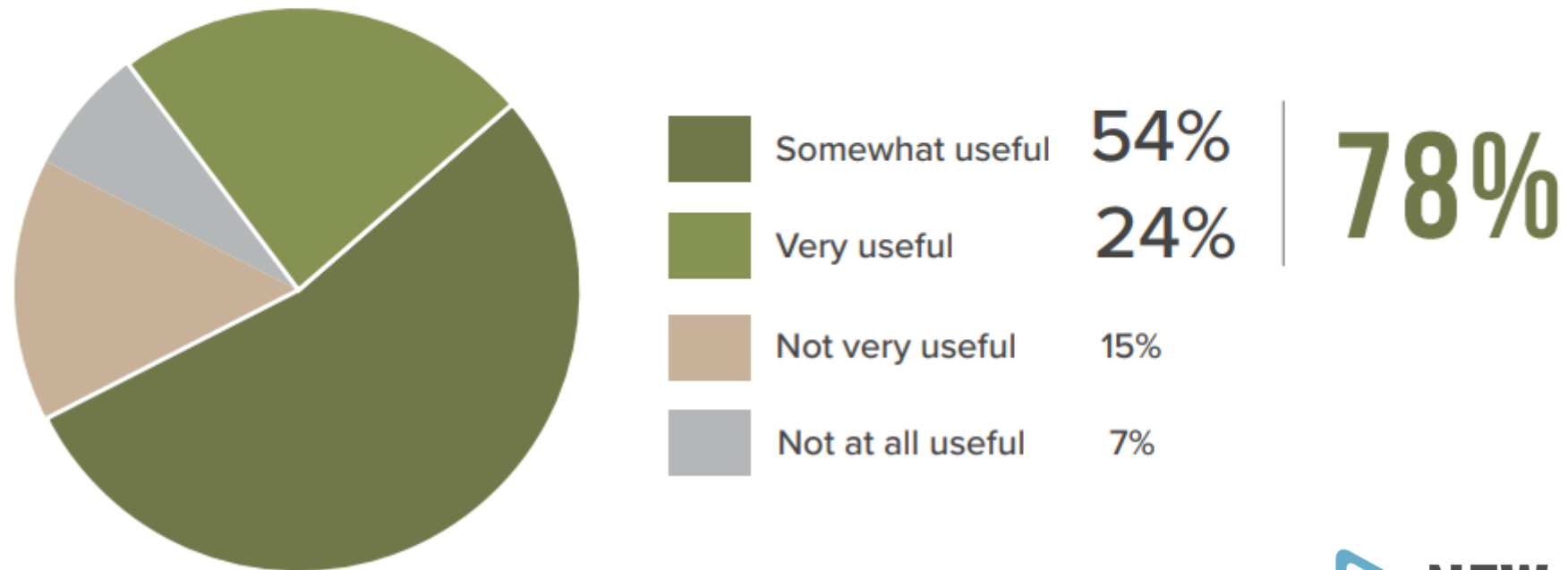




Use the AdChoices Icon: Consumers Find the Icon Useful

Most People Believe the AdChoices Icon Is Useful

Q: If you click on the AdChoices icon, it gives you more information and choices about the types of advertisements you receive. How useful is an icon that provides access to information about the ads a person sees and the choices they have to manage them?

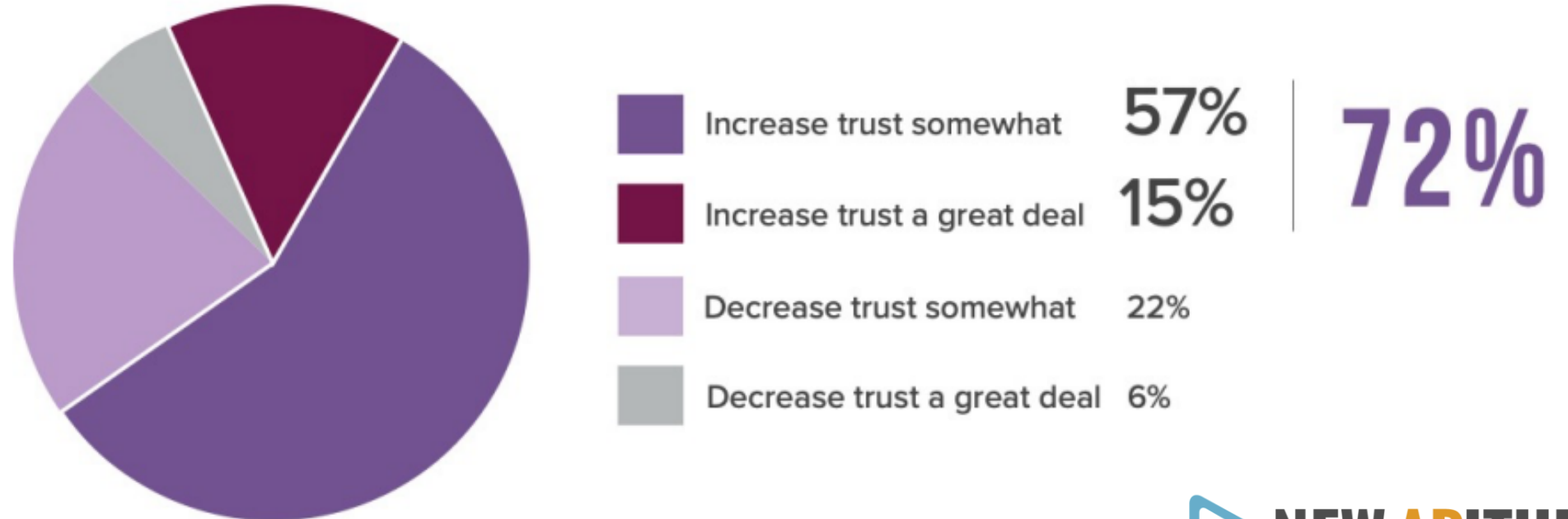




Use the AdChoices Icon: Usage Earns a Trust Dividend

The AdChoices Icon Increases Trust in Advertisers

Q: If you saw the AdChoices icon in an advertisement, would it increase or decrease your trust in that advertiser?



CLE Materials | Connected Devices Best Practices | CTV AdChoices Icon & Ad Marker Implementation Supplement

Best Practices for the Application of the DAA Self-Regulatory Principles of Transparency and Control to Connected Devices



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American Advertising Federation
Association of National Advertisers
BBB National Programs
Interactive Advertising Bureau
Network Advertising Initiative

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AdChoices Icon & Ad Marker Implementation Supplement for Connected TV



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November 11, 2024



VENABLE LLP

What was the process?

The DAA Process

- DAA convened a subset of its Principles & Communications Committee beginning in 2020 to discuss the potential need for guidance on the application of the DAA Principles to connected-devices.
- Given the rise in number and type of connected devices entering consumers homes, and the myriad ways advertisers were reaching consumers on them, DAA was asked to help bring best practices to the space with the full Principles & Communications Committee.
- Over the course of the next few years DAA worked with participating companies to assess the marketplace, current state of technology, and potential future states of consumer interactions to put forth **a set of best practices** in the connected device ecosystem.

What was the result?

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Definitions**

- ❖ **Connected Device.** Connected Device means a device that connects to the Internet and is used for personal household purposes. The definition of Connected Device **does not include mobile devices and web browsers** to the extent that these channels are already addressed by prior DAA Principles and Guidance.
- ❖ **Connected Device Data.** Connected Device Data is data about the use of a digital property or service collected from or through a Connected Device about the use of that digital property or service on a Connected Device.
- ❖ **First Party.** A First Party is the entity that controls a digital property or service that is available through a Connected Device, the entity with which the consumer intentionally interacts in order to access a digital property through a Connected Device, and its Affiliates.
- ❖ **Third Party.** An entity is a Third Party to the extent that it collects Connected Device Data from or through a non-Affiliate's Connected Device or digital properties or services on a Connected Device.

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Transparency**

- ❖ **Third-party Notice.** A Third Party that collects, receives, or transfers Connected Device Data for purposes other than those enumerated in the Purpose Limitations should include a disclosure within their existing notice on their own consumer-accessible digital property (e.g., website, app, etc.) that states that:

1. Connected Device Data may be:

- a. Collected, used, or transferred from or on a Connected Device;
 - b. Combined with other data (including Multi-Site Data and/or Cross-App Data); and
 - c. Used on Connected Devices, as well as other browsers, applications, and devices associated with the Connected Device.

2. Includes a link to a consumer choice mechanism that limits the collection, use, and transfer of Connected Device Data that meets DAA standards and applies as discussed in the Consumer Control section.

3. The fact that the entity adheres to the DAA Principles.

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Transparency**

- ❖ **Third Party Enhanced Notice.** Third Parties should provide enhanced notice of their collection and use practices concerning Connected Device Data collected or received from a Connected Device and that links to the notice. Such enhanced notice may be provided through one of the following methods, including with the cooperation of First Parties and Connected Device manufacturers where applicable:

1. In-Ad Notice where there is a visual advertisement present and users can interact with that notice, such as through a standardized QR code or interactive icon.
2. In-App Notice where a Connected Device pairs with a mobile app that can provide Enhanced Notice.
3. Device Settings where a Connected Device provides a mechanism to offer Enhanced Notice on the Connected Device.
4. Audio Notice where a Third Party collects, uses, or transfers Connected Device Data from a Connected Device through a digital property or service on a Connected Device or when a Connected Device is unable to allow a consumer to directly interact with an Enhanced Notice.

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Transparency**

- ❖ **Third Party Enhanced Notice.** Third Parties should provide enhanced notice of their collection and use practices concerning Connected Device Data collected or received from a Connected Device and that links to the notice. Such enhanced notice may be provided through one of the following methods, including with the cooperation of First Parties and Connected Device manufacturers where applicable:

5. If there is an arrangement with the First Party for the provision of Enhanced Notice via (a) and (b),

- a. Before the application is installed, as part of the process of downloading an application to a Connected Device, at the time that the application is opened for the first time, or at the time data is collected from a Connected Device, and

- b. In the application digital property or device's service's settings or any privacy policy.

6. Participation in a DAA-approved Choice Mechanism that individually lists participating Third Parties that is linked from the notice provided under Section II.C.

- ❖ If a Third Party is unable to provide Enhanced Notice through one or more method described above, a Third Party can provide Enhanced Notice **through another method or combination of methods that provides equivalently clear, meaningful, and prominent Enhanced Notice.**

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Transparency**

- ❖ **First Party Notice.** When a First Party controls a digital property or service that is available through a Connected Device and affirmatively approves a Third Party to collect and use Connected Device Data through its digital property or service, the First Party should provide a clear, meaningful, and prominent link that is reasonably accessible to a consumer in relation to how the consumer accesses the First Party's digital property or service to a disclosure hosted on the First Party's website or app that either links to an industry developed choice mechanism that provides control consistent with these best practices, or that individually lists Third Parties engaged in the collection of Connected Device Data through its digital property with links to relevant choice mechanisms. This notice should also include the fact that the entity adheres to the DAA Principles.

BEST PRACTICES FOR APPLICATION OF THE DAA SELF-REGULATORY PRINCIPLES OF TRANSPARENCY AND CONTROL TO CONNECTED DEVICES

- **Consumer Control.** Third Parties should provide consumers with the ability to exercise choice regarding the collection and use of Connected Device Data for purposes other than those set forth in Purpose Limitations or the transfer of such data to a non-Affiliate for such purposes. Such choice should apply to the Third Party's collection, use, and transfer of Connected Device Data from which or for which the choice is exercised. Such choice mechanism should be set forth in the Enhanced Notice and be available from the third-party notice, or from the Third Party's individual listing in a First Party disclosure.
- **Purpose Limitations.** Transparency and Control should be provided for Connected Device Data collected from or through a Connected Device as set forth in Sections II and III above except as follows:
 - (a) For operations and system management purposes, including:
 - (i) intellectual property protection;
 - (ii) compliance, public purpose and consumer safety;
 - (iii) authentication, verification, fraud prevention and security;
 - (iv) billing or product or service fulfillment, including improving customer experience or ensuring a high quality of service; or
 - (v) Reporting or Delivery;
 - (b) For Market Research or Product Development; or
 - (c) Where the data has or will within a reasonable period of time from collection go through a De-Identification Process.



Enabling an AdChoices Experience with Connected Devices & CTV



Just Released: Connected TV (CTV) Creative Ad Specification

MediaPost News Events Awards Members More

Digital News Daily

Ad Industry Issues Privacy Guidance For Connected Devices

by Wendy Davis @wendydavis, June 15, 2023

The self-regulatory group Digital Advertising Alliance has issued a guide to best practices for applying the industry's privacy code to smart TVs, watches and other internet-connected devices.

8:49 wired.com

The True Cost of a Free TV

ly TV tracks you and bombards with ads on a dedicated second screen. It could help normalize phone-style surveillance in living room.

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ATE COMMITTEE
SCIENCE, & TRADE
PRESS RELEASE

January 25, 2023
WASHINGTON, D.C. — U.S. Sen. Ted Cruz (R-Texas), incoming Ranking Member of the Senate Commerce, Science and Transportation Committee, and U.S. Representative John Curtis (R-UT) and Utah Representative...

This bill would require the FTC to create reasonable disclosure guidelines for smart TVs, refrigerators, washers, dryers and dishwashers that are not clearly obvious to consumers. Appliances include cameras and/or microphones that are capable of recording audio or video.

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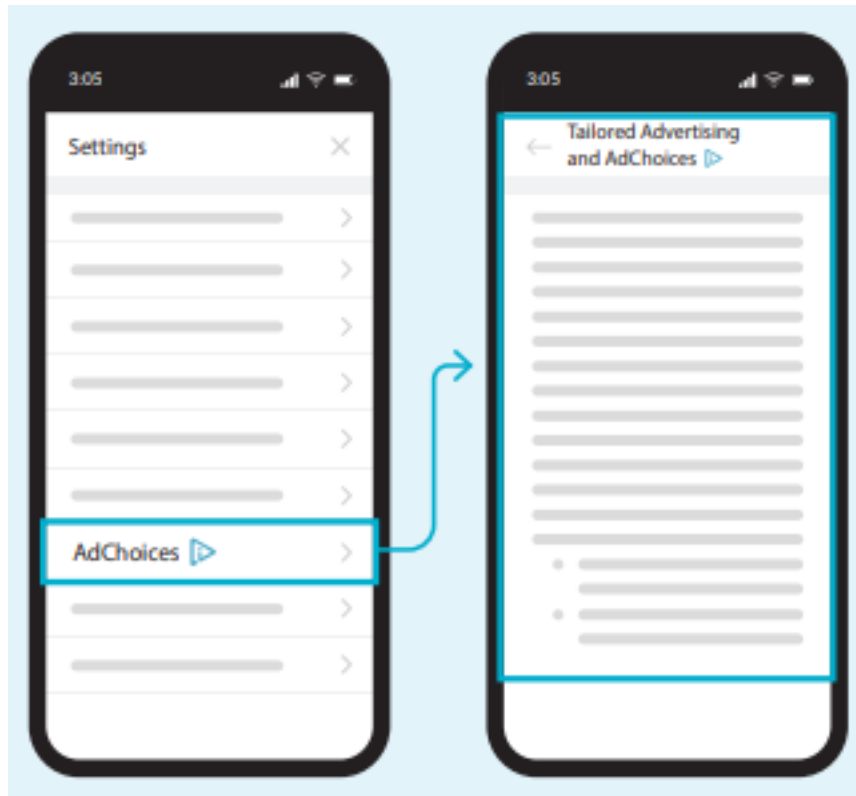
PrivacyRightsInfo

A responsible industry that takes care of consumers in new and emerging technologies



Connected TV Implementation Framework Examples

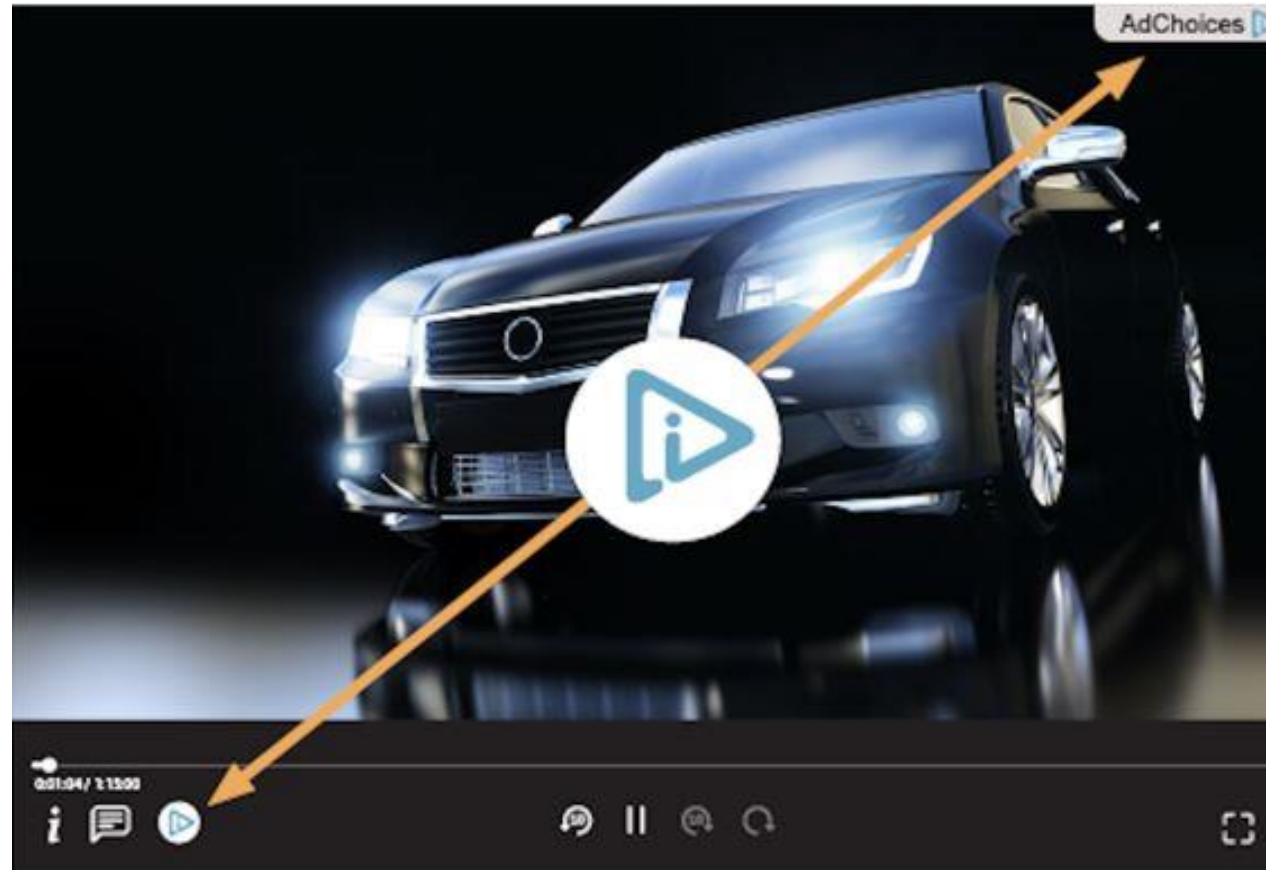
1. Always-Available – app settings, device settings





Connected TV Implementation Framework Examples

2. Ad-Level – in-ad, player bar





Connected TV Implementation Framework Examples

3. At-Time – remote/voice control, QR code

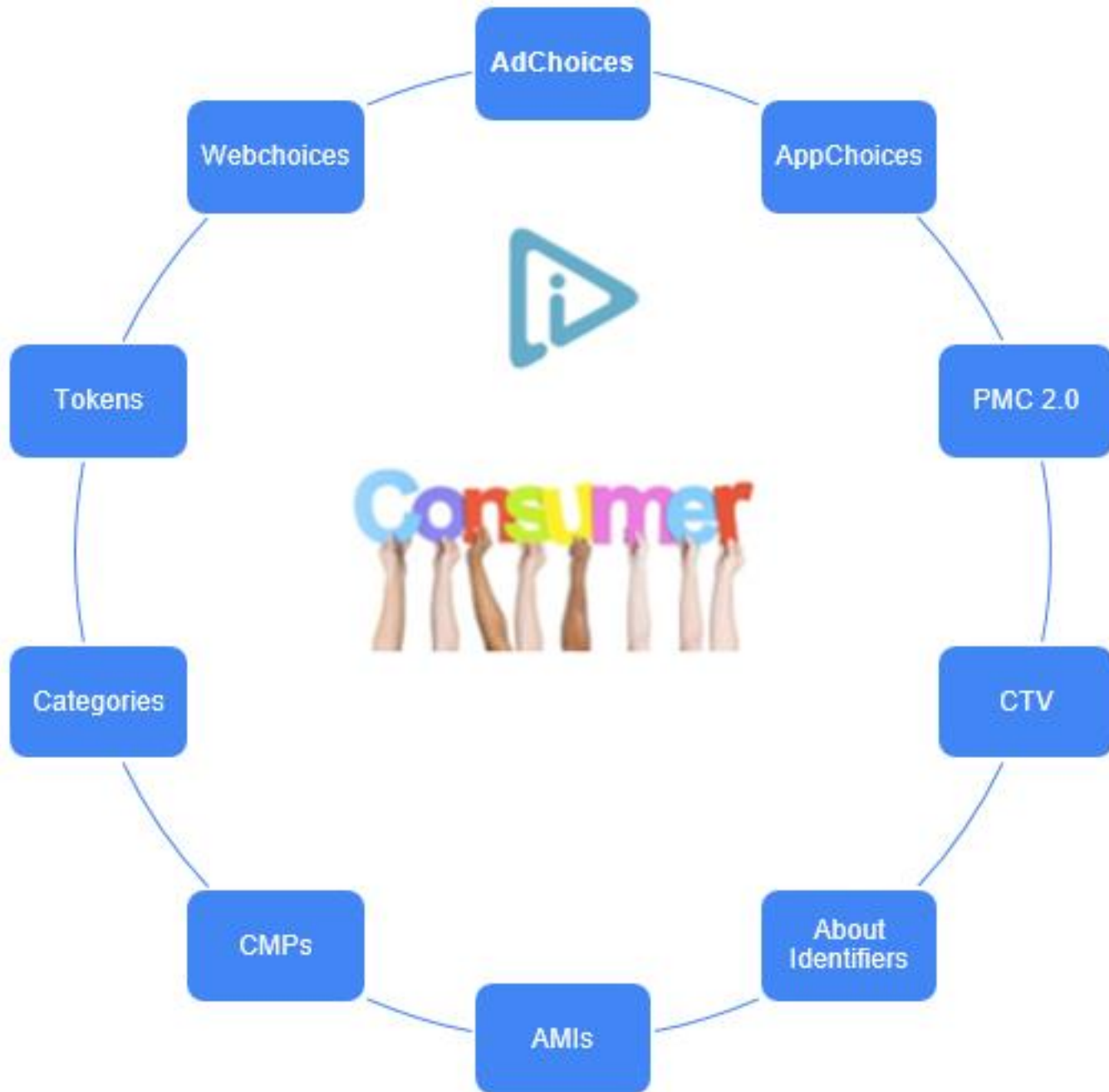




Connected TV Implementation Framework Examples

4. Asynchronous – unboxing, CMP-based





In every way you interact with consumers, AdChoices can provide transparency and control.

Because we answer to a higher calling... the consumer.

Conversation

Resources

Connected Devices | Digital Advertising Alliance



Connected Devices Best Practices:

https://digitaladvertisingalliance.org/sites/aboutads/files/DAA_files/Connected_Devices_Best_Practices.pdf

AdChoices Icon & Ad Marker Implementation for Connected TV:

https://digitaladvertisingalliance.org/sites/aboutads/files/DAA_files/DAA_AdChoices_Icon_Supplement_Connected_TV.pdf

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